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Supreme Court of the United States

No. 953 October Term 1957

CONSOLIDATED TRIMMING CORPORATION,
Petitioner

vs.

FLORENCE F. LOUDON,
Respondent

Petition for Writ of Certiorari to the United States Court of Appeals for the District of Columbia Circuit

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IN THE

SUPREME COURT OF THE UNITED STATES

No. 953 October Term 1957

CONSOLIDATED TRIMMING CORPORATION,
Petitioner

vs.

FLORENCE F. LOUDON,
Respondent

Petition for Writ of Certiorari

To the Honorable, the Chief Justice and Associate Justices of the Supreme Court of the United States:

Your Petitioner, Consolidated Trimming Corporation, prays for a writ of certiorari to the United States Court of Appeals for the District of Columbia Circuit, to review

that Court's decision (in the form of an order) dated and entered on December 12, 1957 (Appendix hereto, p. 30), and

so much of that Court's judgment dated and entered on December 12, 1957 (Appendix hereto, p. 34),

which vacated the award of taxable costs to Petitioner in its original judgment of November 8, 1956 (Appendix hereto, p. 31) and held that Petitioner shall not recover its costs "expended in connection with the litigation";

upon Respondent's Motion for Reformation of Judgment (Appendix hereto, on page 32) based on the ground that where initial jurisdiction over a non-

resident[1] alien patentee is obtained by service by registered mail under a court order[2] pursuant to 35 U.S.C. 293,[3] the court does not have jurisdiction *in personam* over the patentee (here, Respondent) but only over the patent *res*, and that the *due process* clause of the Fifth Amendment[4] bars the imposition of a personal judgment on such patentee even for the taxable costs (or attorney's fees under 35 U.S.C. 285[5]) incident to the cause of action tried and determined *on the merits of the controversy*, as the issues thereof were framed by the complaint and such *patentee's answer*.

The Record on the Petition

Petitioner has filed a certified copy of the two-volume printed Joint Appendix and of all the proceedings in the Court of Appeals;—Volume 1 (pages 1a to 188a) containing the pleadings, transcript of the trial and the District Court's decision, findings & conclusions and judgment (and certain exhibits), and Volume 2 (pages 189a to 277a) containing a copy of Respondent's patent *sub judice* (pp. 189a-193a) and copies of the prior-art patents (pp. 195a-272a).

Petitioner has also filed nine additional copies of Vol-

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[1] the term "non-resident" as used here and elsewhere in this Petition, is intended to mean one not residing in the United States, its territories or possessions.

[2] ORDER (dated and entered December 23, 1954):
"It is hereby ordered that a copy of the Summons and of the Complaint in this action shall be served upon defendant, by mailing the same to defendant by registered mail, return receipt requested, to the address given for her in the Complaint."

[3] Set out on page 10, infra.

[4] Set out on page 9, infra.

[5] 35 U. S. C. 285 (July 19, 1952, c. 950 §1, 66 Stat. 813):
"The court in exceptional cases may award reasonable attorney fees to the prevailing party."

umes 1 & 2 of said Joint Appendix, and has further appended to this Petition, as an Appendix (pages 25 to 34), printed copies of the proceedings in the Court of Appeals, including that Court's Opinion and original Judgment, Respondent's Motion for Reformation of Judgment, and that Court's subsequent modifying Order and Judgment.

Opinions, decisions and judgments rendered in the Courts below

The District Court's decision and findings & conclusions are not reported in the official reports but are reported on pages 87 & 88 of Volume 106 of the United States Patents Quarterly (106 PQ 87), and are reproduced on pages 136a to 139a of Volume I of the Joint Appendix, along with the District Court's judgment (dismissing Petitioner's complaint);—the District Court's Memorandum decision (dated June 23, 1955) appearing on page 136a of the Joint Appendix, its findings & conclusions (dated June 30, 1955) on page 137a-139a of the Joint Appendix, and its judgment (dated June 30, 1957) on page 139a of the Joint Appendix.

The reversing Opinion (dated November 8, 1956) of the United States Court of Appeals for the District of Columbia Circuit (holding Respondent's patent invalid) is reported at 239 F.2d 33 (111 PQ 232) 99 App. DC 213, and is reproduced on pages 25 to 30 of the Appendix hereto, and that Court's original judgment dated November 8, 1956 (awarding Petitioner its taxable costs) is reproduced at page 31 of the Appendix hereto.

The decision (in the form of an Order) and the judgment of the United States Court of Appeals for the District of Columbia Circuit (both dated December 12, 1957), in respect to which the writ of certiorari is sought, are not reported, but are reproduced on pages 33 and 34 of the Appendix hereto.

Grounds on which the jurisdiction of this Court is invoked

The decision and judgment sought to be reviewed (Appendix hereto, pp. 33 & 34) are dated and were entered on December 12, 1957.

By this Court's Order made and entered on March 8, 1958, Petitioner's time for filing its petition for writ of certiorari in respect to the aforementioned decision and judgment was extended to and including April 26, 1958.

The statutory provision believed to confer on this Court jurisdiction to review, by writ of certiorari, the aforementioned decision and judgment of December 12, 1957, is the Act of June 25, 1948, c. 646, 62 Stat. 928;—28 U.S.C. 1254(1):

> "Cases in the courts of appeals may be reviewed by the Supreme Court by the following methods:
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> (1) By writ of certiorari granted upon the petition of any party to any civil or criminal case, before or after judgment or decree."

The discretionary power of this Court is invoked on the following grounds:

1) The Court of Appeals for the District of Columbia Circuit has erroneously decided an important question of federal law arising under Section 293 of the Patent Act of 1952,* which question has not been, but should be, settled by this Court, namely,

a) whether an action for declaratory judgment to determine the validity and infringement of a non-resident alien patentee's United States patent, in which jurisdiction is invoked under 35 U.S.C. 293, is *in personam*, or *in rem* (or *quasi-in-rem*), and

* which Section (35 U. S. C. 293) has no counterpart in any prior Patent Act or in any other federal statute relating to patents or relating to suits involving patents or rights thereunder.

b) *if* it is *in rem* (or *quasi-in-rem*), whether under the due process clause of the Fifth Amendment the successful plaintiff is entitled to a personal judgment against such non-resident patentee who filed an answer and tried the case on the merits, for the costs prescribed by 28 U.S.C. 1920, incident to the trial of the action on the merits and taxable as of course under Rule 54(d) of the Federal Rules of Civil Procedure.

2) The Court of Appeals for the District of Columbia Circuit has erroneously decided an important question of federal law in conflict with the decision of the United States Court of Appeals for the Second Circuit in the case of *United States vs Balanovski*, 236 F.2d 298, at 302, on the controlling legal principle that the court acquires power to render a judgment in *personam* in an action *in rem* [x] where (as in the case at bar) the defendant appears, answers and defends on the merits; provided only that the original *in rem* jurisdiction is valid [*].

3) The Court of Appeals for the District of Columbia Circuit has erroneously decided the important question of Federal law in conflict with the decision of the United States Court of Appeals for the 7th Circuit in the case of *In re Northern Indiana Oil Co. (Moore vs Fletcher)*, 192 F.2d 139, at 142, on the controlling legal principle that under Rule 54(d) of the Federal Rules of Civil Procedure the prevailing party is *prima facie* entitled to costs as of course, and that it is incumbent upon the unsuccessful party to show special circumstances sufficient to overcome the pre-

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x assuming (arguendo) the correctness of Respondent's premise below, adopted by the courts below, that an action under 35 U. S. C. 293 is one *in rem*.

* and Respondent at bar has never questioned but has indeed at all times conceded the validity of the District Court's jurisdiction under 35 U. S. C. 293 to determine the questions of the validity and alleged infringement of Respondent's patent as placed in issue by Petitioner's complaint and Respondent's answer.

vailing party's *prima facie* right to recover costs as of course*.

4) The Court of Appeals for the District of Columbia Circuit has erroneously decided an important question of federal law in a way in conflict with following applicable decisions of this Court holding that defendant's appearance in an action *in rem* empowers the court to render a judgment *in personam*, including an *in personam* judgment for costs:

Houston vs Ormes, 252 U.S. 469 (64 L Ed 667, 670)
Cooper vs Reynolds, 77 U.S. 308 (19 L Ed 931, 932)

and in conflict with the following decision of this Court holding that costs are an incident of the cause of action tried and determined (and do not constitute a cause of action, in and of itself, separate or distinct from the cause of action tried and determined):

R. F. C. vs Menihan, 312 U.S. 81 (85 L. Ed. 595)

and in conflict with the following decisions of this Court that the prevailing party is entitled to recover taxable costs as of right:

R. F. C. vs Menihan, supra
In re Peterson, 253 U.S. 300, 317-8 (64 L. Ed. 919)

The Questions Presented for Review

Question No. 1:

Whether an action for declaratory judgment under 35 U.S.C. 293, as to the validity and infringement of a United States patent, wherein the defendant-patentee is served by registered mail pursuant to court order as authorized by 35 U.S.C. 293, is an action *in personam* or an action *in rem* or *quasi-in-rem*.

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* Respondent has not made *any* showing of *any* special circumstances.

Question No. 2:

Whether such action is converted to one *in personam* when defendant files an answer and tries the case on the merits (even assuming, *arguendo*, that the action was one *in rem* or *quasi-in-rem* in its inception because of language of the statute or the nature of the service).

Question No. 3:

a) Whether under the *due process clause*[4] *of the Fifth Amendment* (and the applicable Rule and Statute[6]) plaintiff (here, Petitioner) is entitled to a personal judgment for costs taxable as of course[6] against a non-resident alien patentee (here, Respondent), in an action against such patentee for declaratory judgment under 28 U.S.C. 2201[7] and *35 U.S.C. 293*[3] to have such patentee's U.S. patent declared invalid and/or not infringed by plaintiff (here, Petitioner), an American manufacturer whose products such patentee's foreign counsel (in letters addressed to such plaintiff's trade and customers in the United States) charged to constitute infringements of such patent which had been obtained under the Patent Act of 1952[8], *which Act includes 35 U.S.C. 293*,

where service on such patentee is made by registered mail under a court order[2] pursuant to the provisions of 35 U S.C. 293, and

where such patentee files an answer going to the

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[2] set out in footnote 2 on page 2, supra

[3] set out on page 10, infra

[4] set out on page 9, infra

[6] under Rule 54-d (F. R. C. P.), Rule 20(c) of the Court of Appeals and 28 U. S. C. 1920, which are set out on page 11, infra

[7] set out on page 10, infra.

[8] Public Law 593, 82nd Congress, 2nd Session, Chapter 950, 66 Stat. 792, approved July 19, 1952 (Title 35 of the United States Code);—the applicable provisions of which are set out on pages 9 & 10, infra

merits of the controversy and goes to trial (and cross-examines & introduces evidence) on the merits of the issues so raised by the pleadings, and

where such patentee requests and obtains a judgment against plaintiff for taxable costs, upon the District Court's decision on the merits favorable to such patentee (which decision is subsequently reversed by the Court of Appeals), or

b) *whether* such personal judgment against a non-resident alien patentee is barred by the *due process* clause of the Fifth Amendment to the Constitution of the United States because of the nature or character of the District Court's jurisdiction under 35 U.S.C. 293, or

c) *whether* the denial of its taxable costs to the successful plaintiff (or the relieving of the foreign defendant of liability for costs when he loses the case) is not such a discrimination as violates the due process clause of the 5th Amendment to the Constitution of the United States.

Question No. 4:

Whether a non-resident alien patentee (here, Respondent) who seeks and obtains a patent under the Patent Act of 1952, has legal immunity, under the *due process* clause of the Fifth Amendment, from costs taxable as of course (and/or from attorney's fees under 35 U.S.C. 285) in an action for a declaratory judgment of patent-invalidity and/or non-infringement (under 28 U.S.C. 2201[7] and 35 U.S.C. 293[3]) to resolve the charges of infringement which such patentee's foreign counsel leveled at the retailer-outlets in the United States of plaintiff, an American manufacturer (here, Petitioner), in which action service is made on such non-resident alien by registered mail under

[3] set out on page 10, infra

[7] set out on page 10, infra

a court order [2] pursuant to the provisions of 35 U.S.C. 293 and wherein such non-resident alien patentee files an answer going to the merits of the controversy and goes to trial on the merits of the issues raised by the pleadings and seeks and obtains a judgment against plaintiff for taxable costs upon the District Court's decision favorable to such patentee (which decision is subsequently reversed by the Court of Appeals).

Constitutional Provision, Statutes & Rules which the case involves

Constitutional Provision

The *due process* clause of the Fifth Amendment to the Constitution of the United States:

> "No person shall . . . be deprived of . . . property, without due process of law"

The applicable provisions of the Patent Act of 1952

Public Law 592, 82nd Congress, 2nd Session, Chapter 950, 66 Stat. 792, approved July 19, 1952 (Title 35 of the United States Code)

Applicability of Patent Act of 1952 to Respondent's patent sub judice:

Section 4-a of Patent Act July 19, 1952, c. 950, 66 Stat. 815:

> "(a) This Act (this title) shall take effect on January 1, 1953 and shall apply to all applications for patent filed on or after such date and to all patents granted on such applications. It shall apply to further proceedings on applications pending on such date and to patents granted on such applications except as otherwise provided. It shall apply to unexpired patents granted prior to such date except as otherwise provided."

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[2] set out in footnote 2 on page 2, supra

District Court's Jurisdiction under the Patent Act of 1952 in respect to Respondent's patent sub judice and in respect to Respondent's rights thereunder

35 U.S.C. 293 (July 19, 1952, c. 950 §1, 66 Stat. 814):

> "Every patentee not residing in the United States may file in the Patent Office a written designation stating the name and address of a person residing within the United States on whom may be served process or notice of proceedings affecting the patent or rights thereunder. If the person designated cannot be found at the address given in the last designation, or if no person has been designated, the United States District Court for the District of Columbia shall have jurisdiction and summons shall be served by publication or otherwise as the court directs. The court shall have the same jurisdiction to take any action respecting the patent or rights thereunder that it would have if the patentee were personally within the jurisdiction of the court."

The Federal Declaratory Judgment Act

28 U.S.C. 2201 (June 25, 1948, c. 646, 62 Stat. 964, Amended May 24, 1949, c. 139 §111, 63 Stat. 105):

> "In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such."

District Courts' exclusive jurisdiction in civil actions arising under the Patent Laws

28 U.S.C. 1338-a (June 25, 1948, ch. 646, sec. 1, 62 Stat. 931):

> "The district courts shall have original jurisdiction of any civil action arising under any Act of Congress

relating to patents, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent and copyright cases."

Statute and Rules relating to Costs:

28 U.S.C. 1920 (June 25, 1948, c. 646, 62 Stat. 955):

"Taxation of costs

A judge or clerk of any court of the United States may tax as costs the following:

(1) Fees of the clerk and marshal;

(2) Fees of the court reporter for all or any part of the stenographic transcript necessarily obtained for use in the case;

(3) Fees and disbursements for printing and witnesses;

(4) Fees for exemplification and copies of papers necessarily obtained for use in the case;

(5) Docket fees under section 1923 of this title.

A bill of costs shall be filed in the case and, upon allowance, included in the judgment or decree."

Rule 54(d) of the Federal Rules of Civil Procedure:

"Except when express provision therefor is made either in a statute of the United States or in these rules, costs shall be allowed as of course to the prevailing party unless the court otherwise directs. . . ."

Rule 20(c) of the United States Court of Appeals for the District of Columbia Circuit:

"In cases of reversal of any judgment or order by this court, costs shall be allowed to the appellant, unless otherwise ordered by the court. The cost of the transcript of the record from the court below shall be a part of such costs, and be taxable in that court as costs in the case."

Statement of the Case

Nature of the action and how the controversy arose

This was an action under Section 293 of the Patent Act of 1952 (35 U.S.C. 293) against a non-resident alien patentee (here, Respondent) for a declaratory judgment to have such patentee's U. S. patent 2,672,194 *on drapery pleating hook and tape* (Joint Appendix, p. 189) declared invalid and/or not infringed by plaintiff (here, Petitioner), an American manufacturer whose pleating-hook [1] and pleating-tape [2] such patentee's foreign counsel charged were infringements of such patent, in letters addressed to plaintiff's (Petitioner's) trade and customers throughout the United States.

Plaintiff, hereinafter referred to as Petitioner, was one of five similarly-accused American manufacturers, to whose trade and customers (throughout the United States) Respondent's Canadian counsel wrote identical letters (exemplified by Plaintiff's Exhibit 7; Volume 1 of Joint Appendix, pp. 7a-8a);—advising the trade that Respondent had granted an exclusive license [3] under her patent to the Kirsch Company (of Sturgis, Michigan), the largest American manufacturer of drapery hardware, and threatening the trade with infringement suits if they did not give Respondent their *undertaking* that they would discontinue further sale of the so accused pleating hooks and

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[1] shown in the drawings in Exhibit 3-a on pages 5a & 6a of Joint Appendix (Volume 1)

[2] specimen of which is plaintiff's Exhibit 1 affixed to page 4a of Joint Appendix (Volume 1) and which is also shown in the drawings on pages 5a & 6a of Joint Appendix (Volume 1)

[3] "The Kirsch Company has obtained a license from Mrs. Loudon under her patent, and that company manufactures and sells the 'Easy Pleat' drapery hooks and header strips *throughout the United States*. No other manufacturer or distributor in the United States has been granted a license by Mrs. Loudon." (Joint Appendix, pp. 7a & 8a)

tape of Petitioner (and of the other four American manufacturers).[4]

The subject matter of the controversy

The business of manufacturing and selling pleating-hooks and pleating-tape became a very large and important one after the Second World War [5] because of the widespread and ever expanding use of pleated draperies in new homes brought on by the building boom in low-priced and medium-priced homes since the Second World War and by the extensive use of picture-windows and other large window-areas in homes and also by the increase of window-areas in relation to wall-areas in new office buildings.

Responding to this mass-market for draperies, Petitioner and the four other American manufacturers placed on the market a prior-art 4-finger pleater hook [6] and a prior-art pleater-tape [6] to be sewn to the top of the drapery and having vertical pockets into which the fingers of the hook are inserted, so as to form pleats in the top or "head"; —the pleater-hook also having a suspension-hook portion by which it is hung onto the curtain-rod or traverse-rod.

One form of Petitioner's 4-finger pleater-hook (as well as Petitioner's pleater-tape) is shown in the drawings

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[4] ". . .let us have your undertaking that you will discontinue further sale of devices which constitute infringements of her patent. In the absence of such an undertaking by you, Mrs. Loudon will be compelled to take appropriate action to protect the exclusive rights granted to her under her patent." (Joint Appendix, p. 8a)

[5] Petitioner alone having sold many millions of pleating-hooks in a brief period of a few years prior to the commencement of this action (Joint Appendix, pp. 39a-40a) and a corresponding yardage of pleating-tape;—there being approximately 10 pleating-hooks used with every 2 & 2/3 yards of pleating-tape.

[6] the expired prior-art patents showing pleater-hooks and showing pleater-tape are cited in the Opinion of the Court of Appeals (pages 28 & 29 of the Supplemental Appendix) and copies of these prior-art patents are contained in Volume 2 of the Joint Appendix

on pages 5a & 6a of the Joint Appendix. Petitioner's other pleater-hook involved in this action was just like the pleater-hook shown in these drawings, but without the pivotally-mounted and swingable 2-armed elbow-shaped pleat-pincher (designated generally by the numeral 29) which is shown in its operative position in Figures 2 to 6 and 11 & 13 and in its inoperative position in Figures 7 to 10 and 12 (Joint Appendix, pp. 5a & 6a). *This pleat-pincher is not in any way involved in Respondent's charge of patent infringement.*

It was to protect this important mass-market in such pleating-hooks and pleating-tape, for draperies, that Petitioner filed its Complaint on December 23, 1954 (Joint Appendix pp. 1a-4a) 12 days after Respondent launched her campaign against the trade for the benefit of her exclusive licensee and manifestly also to increase her royalty-receipts from such licensee (Joint Appendix, p. 7a).

Pleadings, proceedings & rulings in District Court

In addition to seeking a declaratory judgment as to the validity and infringement of Respondent's patent, the original Complaint also sought an injunction and damages.

The Complaint and Summons were served on Respondent by registered mail under the court Order (pursuant to the provisions of 35 U.S.C. 293) set out in footnote 2 on page 2, supra.

Respondent entered her appearance, through her attorneys, and moved to dismiss so much of the Complaint as sought an injunction and damages, and filed her Answer to so much of the Complaint which sought a declaratory judgment as to the validity and infringement of her patent.

Thereafter the District Court sustained the Respondent's aforementioned Motion, on the ground that an action under 35 U.S.C. 293 is one *in rem* and that the Court does not have personal jurisdiction over the defendant (see page 32 of Appendix hereto).

Respondent having, however, formally stated to the Court her decision voluntarily to discontinue all further infringement-charging letters to Petitioner's trade (Joint Appendix, p. 13a), thus making an injunction unnecessary, and the Court having granted Petitioner's request for an advancement of the case to an early trial and the case having accordingly been set down for trial on a date which was only three months after the filing of the Complaint, Petitioner did not appeal from the District Court's aforementioned dismissal of the causes of action for injunction and damages;—particularly as such appeal would inevitably have delayed the trial of the case as to the validity and infringement of Respondent's patent.

Upon the Complaint for declaratory judgment (Joint Appendix, pp. 1a-4a), as amended (Joint Appendix, pp. 13a-14a), and Respondent aforesaid Answer (Joint Appendix, pp. 14a-15a), the case was tried (Joint Appendix, pp. 18a-135a), and Respondent participated in such trial in all respects, including the cross-examination of Petitioner's witnesses (Joint Appendix, pp. 28a-41a, 45a, 52a-53a, 55a-59a, 73a-81a & 94a-95a) and the introduction in evidence of testimony of the witnesses called on behalf of Respondent and the introduction of exhibits on behalf of Respondent (Joint Appendix, pp. 97a-136a).

Upon the conclusion of the trial and after receiving briefs from Petitioner and Respondent, the District Court (Judge Letts) handed down its decision (on June 23, 1954) designated "Informal Memorandum" (Joint Appendix, p. 136a), dismissing Petitioner's complaint and directing Respondent's counsel to submit, for settlement, findings of fact, conclusions of law, and a judgment form dismissing the complaint.

Thereupon Respondent noticed for hearing (Joint Appendix, p. 137a) proposed findings & conclusions and form of judgment.

Upon the so noticed hearing (on June 30, 1954), attended by counsel for both parties, the District Court adopted, signed and entered the findings of fact and conclusions of law (Joint Appendix, pp. 137a-139a) and the judgment (Joint Appendix, p. 139a) submitted by respondent;—striking only the words "with prejudice" from the judgment.

In the judgment so submitted, Respondent included (and the Court adopted) the following provision:

> "The costs of this action shall be taxed against the Plaintiff" (here, Petitioner)

Thereafter Respondent's counsel presented a Bill of Costs to the Clerk of the District Court, and the Clerk taxed Respondent's costs against Petitioner;—though in a total amount less than the total requested by Respondent's Bill of Costs (by the disallo vance of certain items of costs included therein).

Thereupon Respondent filed a Motion for re-taxation of her costs, seeking the taxation of some of the items of costs which the Clerk had disallowed.

Upon Petitioner's appeal (Joint Appendix, p. 139a) to the Court of Appeals, the matter of re-taxation of costs in the District Court was stayed, pending the outcome of Petitioner's appeal.

Court of Appeals' decision, on the merits, reversing District Court's judgment, and the Court of Appeals' judgment ordering that Petitioner recover from Respondent its taxable costs on its appeal and have execution therefor

On November 8, 1956, the Court of Appeals held Respondent's patent invalid and accordingly reversed the judgment of the District Court (Appendix hereto, pp. 25 to 30).

Addressing itself, however, first to the question of validity of the patent (Appendix hereto, on page 26), in accordance with the practice suggested by this Court in

Sinclair Co. vs Interchemical Corp.[1] because of the greater public importance of the question of the validity of the patent in suit, the Court of Appeals found it unnecessary to decide the issue of infringement,[2] because its decision that the patent is invalid rendered the issue of infringement moot.

Upon its reversal of the District Court's judgment, the Court of Appeals remanded the case in the District Court "with directions to enter a Judgment declaring that (Respondent's) patent is invalid and granting such further relief to (Petitioner) as may appear to the Court to be just and proper" (Appendix hereto, p. 30), and simultaneously entered its Judgment (Appendix hereto, p. 31) to like effect and

> "further ORDER by the Court that appellant herein (Petitioner) recover from appellee (Respondent) its taxable costs on its appeal and have execution therefor."

Thereafter (on January 5, 1957) the Clerk of the Court of Appeals taxed Petitioner's costs in the Court of Appeals against Respondent, in the amount of $1,433.30 (Appendix hereto, p. 31).

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[1] "There has been a tendency among the lower Federal courts in infringement suits to dispose of them where possible on the ground of non-infringement without going into the question of validity of the patent. *Irvin vs Buick Motor Co.* (CCA 8th) 88 F. 2d 947, 951; *Aero Spark Plug Co. vs B. G. Corp.* (CCA 2d) 130 F. 2d 290; *Franklin vs Masonite Corp.* (CCA 2d) 132 F. 2d 800. It has come to be recognized, however, that of the two questions, validity has the greater public importance, *Cover vs Schwartz* (CCA 2d) 133 F. 2d 541, and the District Court in this case followed what will usually be the better practice by inquiring fully into the validity of this patent." *Sinclair & Carroll Co. vs Interchemical Corp.*, 325 U. S. 327, 330 (65 S Ct 1143) 89 L Ed 1644, 1646

[2] "We do not reach the issue of infringement *vel non*" (Appendix hereto, p. 30)

Thereafter, Petitioner moved in the District Court to have that Court's Judgment (of June 30, 1955) vacated and for the entry of a new Judgment holding Respondent's patent invalid and for Petitioner's costs taxed in the Court of Appeals and its costs in the District Court (for which it filed then its Bill of Costs) and for attorney's fees under 35 U.S.C. 285.

Respondent's Motion for Reformation of Judgment in the Court of Appeals

Relying on *Pennoyer vs. Neff*, 95 U.S. 174 (1877) 24 L. Ed. 565 and on the *due process* clause of the Fifth Amendment to the Constitution of the United States, Respondent filed (on August 15, 1957) a Motion for Reformation of Judgment (Appendix hereto, on page 32) in the Court of Appeals, requesting that the above-quoted portion of that Court's Judgment relating to costs be stricken, on the ground that the Court did not have jurisdiction *in personam* over Respondent because she is a citizen and resident of Canada and was served only by registered mail under the court order* pursuant to 35 U.S.C. 293;—on the erroneous theory (adopted by the Court) that an action for declaratory judgment under 35 U.S.C. 293 is one *in rem* and is not converted to one *in personam* by defendant's appearance, answer and participation in the trial on the merits, and that, under the *due process* clause of the 5th Amendment and *Pennoyer vs. Neff*, supra, a personal judgment for taxable costs (or for attorney's fees under 35 U.S.C. 285) *incident to the cause of action so tried and determined* cannot be entered against the defendant (Respondent) notwithstanding Respondent's appearance, answer and participation in the trial on the merits and notwithstanding that in the (subsequently reversed) Judgment of the District Court Respondent pressed for and obtained a Judgment for her costs to be taxed against Petitioner.

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* set out in footnote 2 on page 2, supra

Court of Appeals' decision sustaining Respondent's Motion and ordering that Petitioner should not recover its costs or expenses either in the trial court or in the appellate court

On December 12, 1957 the Court of Appeals sustained (Appendix hereto, pages 33 and 34) Respondent's aforesaid Motion for Reformation of Judgment, and not only struck from its original Judgment the order that Petitioner shall recover from Respondent its taxable costs on the appeal and have execution therefor, but also ordered that Petitioner shall likewise not recover any of its costs and expenses in the District Court:

> "It is further ordered by the Court that each party to this appeal shall bear such costs as it has expended in connection with the litigation" (Appendix hereto, p. 34);—

thereby also barring attorney's fees to which Petitioner would otherwise have been entitled to under 35 U.S.C. 285,

> in view of the manifest lack of good faith in Respondent's aforementioned letter-writing campaign aimed to divert the pleater hook and tape business from Petitioner (and from the other four similarly-situated American manufacturers) to Respondent's aforementioned exclusive licensee, as evidenced, inter alia, by Respondent's failure to institute any suit for patent infringement *and her failure to counterclaim for infringement in the case at bar*, and
>
> in view of the prompt institution and diligent and expeditious prosecution of this action by Petitioner, at great expense to it, and inevitably also in vindication of the rights of the four other similarly situated American manufacturers and to the benefit of the public.*

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* *Swan Carburetor Co. vs Chrysler Corp.*, 55 F. Supp. 794 (D. C. Mich. 1944) 61 PQ 475, 478-9;—citing *U. S. Gypsum vs Consolidated*, 130 F. 2d 888 (6 Cir.) 55 PQ 247, 248-9

Basis of federal jurisdiction of the court of first instance

1) An actual controversy having existed between the parties as to the validity and infringement of a United States patent, such controversy was within the District Court's subject-matter jurisdiction under 28 U.S.C. 1338-a (set out on p. 10, supra), which gives district courts exclusive jurisdiction of any civil action arising under any Act of Congress relating to patents.

2) The federal declaratory judgment act, 28 U.S.C. 2201 (set out on p. 10, supra) authorized the district court to resolve an actual controversy within its jurisdiction, by declaratory judgment.

3) Section 293 of the Patent Act of 1952; 35 U.S.C. 293 (set out on p. 10, supra) prescribed the district courts' venue jurisdiction in "proceedings affecting the patent or rights thereunder" where the patentee does not reside in the United States, and gave the U.S. District Court for the District of Columbia venue jurisdiction in the case at bar because such patentee (Respondent) had not filed in the Patent Office "a written designation of a person within the United States on whom may be served process or notice of proceedings affecting the patent or rights thereunder", as provided by 35 U.S.C. 293.

Argument

A large and ever increasing proportion of all charges of patent-infringement are determined by suits for declaratory judgment initiated by the manufacturer whose product has been charged with patent-infringement by letters addressed to his trade by the patent-owner or his exclusive licensee, who prefers thus to divert the trade,* rather than

* *Kleinman vs Kobler*, 230 F. 2d 913, at 914 (2 Cir.): "To take a license, calling for small royalty payments, frequently involves less expense than prolonged litigation; besides, if the licenses are few, the *licensees may deem it desirable to* share a monopoly which will endure while *the patent-owner frightens off other users.*"

to file suit either against the manufacturer or against his customer.

A very substantial proportion of all United States patents are issued to or owned by persons not residing within the United States, who cannot be sued for declaratory judgment to resolve the questions of infringement and validity raised by such infringement-letter campaign directed at the American manufacturer's trade and customers in the United States, except for the jurisdiction afforded by the Patent Act of 1952 (35 U.S.C. 293).

As such "designation of a person within the United States" is seldom *if ever* filed by foreign patentees, the District Court of the District of Columbia is virtually the only District Court in which an American manufacturer can have relief against a foreign patentee's infringement-charging letter-campaign designed to divert the trade to such patentee's licensee.

If in such suit the foreign patentee is held to be entitled to recover his costs incident to such suit *if he prevails*,[1] while the plaintiff (the American manufacturer) is held not entitled to recover his costs *if he prevails*,[2] then there is a very substantial discrimination worked against the American manufacturer whose products have been so charged with infringement, and in favor of the foreign patentee.

It is respectfully submitted that such discrimination violates the due process clause of the Fifth Amendment to the Constitution of the United States and is in conflict with the decisions cited under *Grounds* 2, 3 & 4 on which this Court's jurisdiction is invoked (pp. 5 & 6, supra).

Patent litigation is very expensive and burdensome.

While in the case at bar Petitioner undertook such litigation, wholly at its own expense, in order to protect

[1] as was held by the District Court, in the case at bar (see District Court's Judgment on page 139a of Joint Appendix)

[2] as was held by the Court of Appeals, in the case at bar (see that Court's Order and Judgment of December 12, 1957 on pages 33 & 34 of the Appendix hereto)

its valuable trade against Respondent's unwarranted campaign directed thereto, the litigation has inevitably been also of equal benefit to the four other American manufacturers whose like products Respondent has similarly charged with infringement in the trade, and has also been to the benefit of the public.

The aforementioned discrimination will necessarily serve as a substantial deterrent to invoking the district courts' jurisdiction under 35 U.S.C. 293 (the only statute available to the American manufacturer forced to seeking a determination of the validity and alleged infringement of a patent of a foreign patentee), and such discrimination constitutes a substantial abridgement of the rights intended to be accorded by 35 U.S.C. 293.

In the case at bar, Respondent has made no showing of any special circumstance which should relieve Respondent of the same liability for costs where Petitioner was successful on the appeal as Respondent successfully urged upon the District Court should be Petitioner's liability for costs in Respondent's favor when Respondent was successful in the District Court.

Under this Court's definition [1] in *Freeman vs Alder-*

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[1] **Freeman vs. Alderson:**

"Actions *in rem*, strictly considered, are proceedings against property alone, treated as responsible for the claims asserted by the libellants or plaintiffs. The property itself is in such actions the defendant, and—except in cases arising during war, for its hostile character—its forfeiture or sale is sought for the wrong, in the commission of which it has been the instrument, or for debts or obligations for which by operation of law it is liable. The court acquires jurisdiction over the property in such cases by its seizure, and of the subsequent proceedings by public citation to the world, of which the owner is at liberty to avail himself by appearing as a claimant in the case.

"There is, however, a large class of cases which are not strictly actions *in rem*, but are frequently spoken of as actions *quasi in rem*, because, though brought against persons, they only seek to subject certain property of those persons to the discharge of the claims asserted. Such are actions in which property of nonresi-

son, 119 U. S. 185 (30 L. Ed. 372, at 373) as to what an action *in rem* is and as to what an action *quasi in rem* is, the action at bar is clearly not an action *in rem* nor an action *quasi in rem*.

However, even assuming (arguendo) that the action at bar is one *in rem* or one *quasi in rem*, nevertheless, under this Court's decision in *Cooper vs Reynolds*,[2] 77 U. S. 308 (19 L. Ed. 931, 932) and in *Houston vs Ormes*,[3] 255 U. S. 469 (64 L. Ed. 667, at 670) the action at bar became converted to one *in personam* when Respondent filed her answer and proceeded to trial on the merits;—at least to the extent of permitting a judgment against Respondent for taxable costs *incident to the cause of action tried and determined on the merits*.

Under this Court's decision in *R. F. C. vs Menihan*, 312 U. S. 81 (85 L. Ed. 595) costs are an incident of the cause of action tried and determined, and under this Court's

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dents is attached and held for the discharge of debts due by them to citizens of the State, and actions for the enforcement of mortgages and other liens. Indeed, all proceedings having for their sole object the sale or other disposition of the property of the defendant, to satisfy the demands of the plaintiff, are in a general way thus designated. But they differ, among other things, from actions which are strictly *in rem*, in that the interest of the defendant is alone sought to be affected, that citation to him is required, and that judgment therein is only conclusive between the parties."

[2] **Cooper vs. Reynolds:**

"If the defendant appears, the cause becomes mainly a suit *in personam*, with the added incident that the property attached remains liable, under the control of the court, to answer to any demand which may be established against the defendant by the final judgment of the court."

[3] **Houston vs. Ormes:**

"But in the present case the question of situs is not material. If the jurisdiction as to the defendant Sanders had depended upon publication of process against her as a nonresident under §105 of the District Code (Act of March 3, 1901, chap. 854, 31 Stat. at L. 1189, 1206), upon the theory that her claim against the govern-

decision *in the matter of Peterson*,[4] 253 U. S. 300, at 317-8 (64 L. Ed. 919, at 927) and *R. F. C. vs Menihan*, supra, the prevailing party is entitled to costs as of right.

Conclusion

In conclusion Petitioner respectfully submits that a writ of certiorari be issued to the United States Court of Appeals for the District of Columbia Circuit to review that Court's Order and Judgment of December 12, 1957.

Respectfully submitted,

LEONARD L. KALISH
Attorney for Petitioner

WILLIAM E. FRIEDMAN
Counsel for Petitioner

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ment was 'property within the District,' the point would require consideration. But the jurisdiction over her rests upon her having voluntarily appeared and answered the bill without objection. Hence there is no question that the decree binds her, and so constitutes a good acquittance to the United States as against her."

[4] In re Peterson:

"The further question is whether the district court had power to make the expense of the auditor taxable in whole or in part against the prevailing party, if the trial judge should so determine. The advantages of such a flexible rule are obvious. But general principles governing the taxation of costs in actions at law, followed by the Federal courts since their organization, preclude its adoption. "While in equity proceedings the allowance and imposition of costs is, unless controlled by statute or rule of court, a matter of discretion, it has been uniformly held that *in actions at law the prevailing party is entitled to costs as of right* (compare *United States v. Schurz*, 102 U. S. 378, 407, 26 L. Ed. 167, 175), except in those few cases where, by express statutory provision or by established principles, costs are denied. It has also been generally held that this *right to costs of the prevailing party in actions at law extends to the entire costs in the trial court*, and that the court is without power to make an apportionment based upon the fact that the prevailing party has failed in a part of his claims, or that, for other reasons, only a part or none of the costs should in fairness be allowed. This rule of practice, established by long usage, is confirmed by the language of §983 of the Revised Statutes."

Appendix

Opinion

United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 12853

CONSOLIDATED TRIMMING CORPORATION, *Appellant*,

v.

FLORENCE F. LOUDON, *Appellee*

Appeal from the United States District Court
for the District of Columbia

Decided November 8, 1956
(reported at 239 F. 2d 33 [111 PQ 232] 99 App. DC 213)

Before PRETTYMAN, FAHY and WASHINGTON, Circuit Judges.

WASHINGTON, *Circuit Judge:* This is a patent case, involving alleged infringement. Mrs. Florence F. Loudon is the holder of U.S. Patent No. 2,672,194, entitled "Supporting Means for Curtains and the Like." The patent covers a tape which is applied to the top edge of a curtain or drape, together with a form of hook which fits into pockets in the tape in such a way as to form the drape into pleats and folds. She caused her attorneys to send letters to numerous department stores, charging that her patent was being infringed by tape and hook combinations

being manufactured by the Consolidated Trimming Corporation, and demanding the discontinuance of the sale of "devices which constitute infringements" of her patent. Consolidated thereupon filed suit in the District Court seeking a declaratory judgment that Mrs. Loudon's patent is invalid and is not infringed by Consolidated's product. Mrs. Loudon filed an answer but no counterclaim. After a trial the court concluded that plaintiff: (Consolidated) had the burden of proving—but had not proved—its allegations that the patent in suit is invalid, that the patent is unenforceable, and that it is not infringed by plaintiff's products. The court further concluded that defendant's patent is presumed to be valid and enforceable unless the contrary is proved, that plaintiff is not entitled to any of the relief which it seeks, and that the complaint should be dismissed. Judgment was thereupon entered dismissing the complaint. On this appeal Consolidated argues that the burden of proof on the issue of infringement was on defendant Loudon, who had theretofore charged infringement, that the plaintiff's accused devices do not infringe the defendant's patent, and that in any event the patent is invalid, chiefly by reason of lack of invention in view of the prior art.

Under the better practice, a court's first concern in cases of this sort should be with the question of the validity of the patent allegedly infringed. *Sinclair Co. v. Interchemical Corp.*, 325 U. S. 327, 330 (1945). In Mrs. Loudon's patent, Claims 1, 2, 3 and 4 describe the pleater hook; Claim 1, which is representative, reads as follows:

> "For use with a drape having at its upper end a plurality of vertically extending horizontally spaced parallel tunnels or loops closed at their upper ends and open at their lower ends, a pleater and supporting means having four inverted U-shaped pocket engaging fingers of narrow width and having rounded upper ends and disposed in a single plane and a hook located between the two center fingers and directed substantially at right angles to the plane of the fin-

gers, said hook having the supporting portion thereof below the rounded upper ends of the fingers."

Claim 5, which describes the combination of the hook with the pleater tape, provides:

> "The combination of a drapery curtain having a pleater pocket strip applied transversely at the upper hanging edge of the curtain and said pleater strip being provided with a plurality of spaced apart vertically extending parallel pockets open at their lower ends and closed at their upper ends, said pleater strip being secured to the curtain at its upper and lower edges to leave the lower ends of the pockets open and unobstructed, a supporting hanging and pleating hook member having four elongated upright non-penetrating pocket entering fingers of substantially the same length extending upwardly in closely disposed horizontally spaced relation, said fingers having blunt upper ends and being disposed in a single plane for insertion upwardly into the open ends of a plurality of said pockets, and a supporting hook portion located between the two middle fingers with the hook portion thereof disposed rearwardly and substantially midway of the length of said fingers, said fingers being more closely spaced and brought together than the spacing of the pockets whereby the fingers when fitted endwise upwardly into said pockets cooperate to draw the upper edge of the curtain together in a pinch-pleat arrangement with the several fingers each supporting a pleat through substantially the entire vertical extent of the pinch-pleat and supporting each pleat laterally and forwardly and rearwardly with the upper ends of the fingers in the pockets having closed upper ends supporting the curtain against sagging upon the fingers of the supporting member."

The essential principle of appellee's device is this: When prongs with little space between are inserted into pockets of a tape spaced at greater intervals, the prongs

will cause the tape to bunch or pleat. And of course if the tape is sewn to a curtain and the prongs are equipped with a hook, proper insertion will cause the curtain to have pleats, and it may be hung. This idea was shown in 1904 by Knight's British Patent No. 24,522 and in 1906 by Carr's U. S. Patent No. 834,188. The specification for Knight discloses: "A tape or webbing for heading of curtains and hangings having loops attached or interwoven at intervals of its length. A hook or suspender carring three claws arranged in triangular form. By means of the hooks and tape or webbing aforementioned, the curtain or hanging to which they are attached is gathered into folds, or box pleats, by inserting one or more of the claws of said hook, into whichever, or as many of the loops in or on the tape as may be necessary to produce the desired result." Both Knight's and Carr's hooks create pleats or folds because the distance between the pockets in the tape is greater than the distance between the hooks.

The question is, then, whether Mrs. Loudon's patent shows invention over the prior art.[1] She says that it does: that she has produced a "novel combination." Her device differs from both Knight and Carr in that the back or shank of the hook is lower than the top of the prong. But this development is shown as early as Nachmann (No. 763,780), who specifically notes its utility in causing the curtain to conceal the hanging device behind it. Appellee's prongs are all in a single plane, an arrangement which is found in Carr and Steiner (No. 2,012,734). Appellee's prong supports the top of a closed pocket, which Carr clearly does not teach and Knight apparently does not. However, Charlton (British Patent No. 151,108) has a single prong, to be inserted in a tape, supporting the closed top of the tube in the tape. And French (No. 2,183,188) specifically states that some of his hooks for use with heading tape are "adapted to engage the furthest parts of the hook tubes."

[1] On this point, Consolidated in effect concedes that it has the burden of proof.

Appellee describes the prongs of her device as being "inverted U-shaped." While we doubt that invention could reside in this modification of styling, it is enough to point out that this same design was employed by Charlton (British Patent No. 151,108).

"The mere aggregation of a number of old parts of elements which, in the aggregation, perform or produce no new or different function or operation than that theretofore performed or produced by them, is not patentable invention." *Lincoln Engineering Co. v. Stewart-Warner Corp.*, 303 U. S. 545, 549 (1938). And in *A. & P. Tea Co. v. Supermarket Corp.*, 340 U. S. 147, 152 (1950), the Court said: "The conjunction or concert of known elements must contribute something; only when the whole in some way exceeds the sum of its parts is the accumlation of old devices patentable." Like the *A. & P.* case, the case now at bar "is wanting in any unusual or surprising consequences from the unification of the elements here concerned," and there is nothing to indicate that the District Court "scrutinized the claims in the light of this rather severe test." *Ibid.* Again, to paraphrase *A. & P.*, we note that neither the Board of Patent Appeals nor the District Court has made "any finding that old elements which made up this device perform any additional or different function in the combination than they perform out of it." *Ibid.*[2]

The District Court's finding as to validity states only that "Plaintiff has failed to carry its burden of proving that the patent in suit is invalid." Nor does the decision of the Board of Patent Appeals offer anything to indicate wherein the aggregation there approved rises to the level of patentable invention. Indeed the Board appears to have

[2] Neither party urges that the new patent act, 35 U. S. C. §§101, *et seq.* (1952), alters the rules announced in A. & P. Tea Co. v. Supermarket Corp., *supra;* furthermore, several courts have held that it does not. *E.g.*, Interstate Rubber Products Corp. v. Radiator Specialty Co., 214 F. 2d 546, 548 (4th Cir. 1954); General Motors Corp. v. Estate Stove Co., 203 F. 2d 912, 918 (6th Cir. 1953).

applied standards contrary to those laid down by the courts. The conclusion of the Board's opinion notes that Mrs. Loudon's device "facilitates the curtain hanging operation and while, in our opinion, . . . [her] contribution is not great, we think that in view of the fact that the art here involved is highly developed, patentiability of the claim is not negatived by the cited patents." In the first place, "A mere advance in efficiency and utility is not enough to convert a non-inventive aggregation into a patentable combination." *Kwikset Locks, Inc. v. Hillgren*, 210 F. 2d 483, 486 (9th Cir. 1954). Secondly, the Board has misconstrued the significance of the crowded state of the art. On the contrary, "to make sure that a monopoly is not granted for mere perfection of workmanship, the courts closely scrutinize claims to combinations for improvements in a crowded art." *Shaffer v. Armer*, 184 F. 2d 303, 307 (10th Cir. 1950).

We think it is clear that Mrs. Loudon's patent is invalid.[3] The *A. & P.* decision seems to us to be controlling. As was there said: "We set aside no finding of fact as to invention, for none has been made. . . . The defect that we find in this judgment is that a standard of invention appears to have been used that is less exacting than that required where a combination is made up entirely of old components. It is on this ground that the judgment below is reversed." 340 U. S. at 153-54.

For these reasons, the judgment of the District Court will be

Reversed, and the cause remanded with directions to enter a judgment declaring that defendant-appellee's patent is invalid, and granting such further relief to plaintiff-appellant as may appear to the court to be just and proper.

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[3] We do not reach the issue of infringement *vel non*, and express no opinion on whether Consolidated had the burden of proof in that regard.

JUDGMENT

(of the U. S. Court of Appeals, dated and entered on November 8, 1956)

This cause came on to be heard on the record from the United States District Court for the District of Columbia, and was argued by counsel.

On consideration whereof, it is ordered and adjusted by this Court that the judgment of the said District Court appealed from in this cause be, and the same is hereby reversed, and that this cause be, and the same is hereby, remanded to the said District Court with directions to enter a judgment declaring that defendant-appellee's patent is invalid, and granting such further relief to plaintiff-appellant as may appear to the court to be just and proper.

It is further ORDERED by the Court that appellant herein recover from appellee its taxable costs on this appeal and have execution therefor.

Bill of Costs

As Taxed by Clerk of Court of Appeals

(filed on January 5, 1957)

Costs of Appellant, Consolidated Trimming Corporation in No. 12853, Consolidated Trimming Corp. vs. Florence F. Loudon, C. A. 5421-54

Docket fee	$ 25.00
Brief	206.50
Reply Brief	162.40
Joint Appendix (Volume I & II)	1039.40
	$1433.30

Test: /s/ JOSEPH W. STEWART,
Clerk of the United States Court of Appeals for the District of Columbia Circuit.

(Respondent's)

Motion for Reformation of Judgment and Argument in Support Thereof

(served & filed August 15, 1957)
(with some of the argument omitted)

Now comes defendant-appellee and moves for reformation of the judgment entered by this Court on November 8, 1956 by striking therefrom the following:

> "It is further ordered by the Court that appellant herein recover from appellee its taxable costs on this appeal and for execution therefor."

on the grounds that this Court does not have jurisdiction *in personan* over the defendant-appellee.

* * * * * *

This was an action for declaratory judgment as to the validity and infringement of defendant-appellee's United States patent. Defendant-appellee, who is a citizen and resident of Canada, was served only by registered mail under a court order pursuant to 35 U.S.C. §293. The complaint originally also sought an injunction and damages. Defendant-appellee moved to strike the portion of the complaint and prayer relating to the injunction and damages on the gorund that the Court did not have personal jurisdiction over defendant-appellee and could not grant the *in personam* relief of an injunction and damages against her.

The defendant-appellee's motion was sustained by the lower Court (Holtzoff, J.) on March 15, 1955, the Order stating as follows:

> ". . . it is hereby Ordered, Adjudged and Decreed that the cause of action for injunction and for damages stated in the Amended Complaint be and the same hereby are dismissed on the ground that this Court does not have personal jurisdiction over the defendant."

The lower Court, after a trial limited to the cause of action for a Declaratory Judgment, dismissed the complaint and held the patent in suit to be valid. On appeal, this Court reversed the decision of the lower Court on the issue of patent validity.

No appeal was filed by plaintiff-appellant from the lower Court's dismissal of the cause of action for injunction and for damages.

* * * * * *

Since this Court has no jurisdiction over the person of the defendant-appellee but only over the patent *res*, it cannot impose any personal judgment against the defendant-appellee. This principle was established in the famous case of *Pennoyer v. Neff*, 95 U. S. 174 (1877). . . .

* * * * * *

It is urged, therefore, that the jurisdiction of this Court is limited to the patent *res* and that it has no jurisdiction over the person of the defendant-appellee, for which reason *in personam* relief of costs and attorneys' fees cannot be awarded against the defendant-appellee. Accordingly, the Court is requested to strike from its Judgment of November 8, 1956 the reference to recovery of taxable costs by plaintiff-appellant from defendant-appellee.

Attorney for Defendant-Appellee

ORDER

(of the U. S. Court of Appeals, dated and entered on December 12, 1957)

Upon consideration of appellee's motion for reformation of the judgment of this Court in the above case and of the argument of counsel thereon, it is

ORDERED by the Court that the last paragraph of the judgment of this Court be stricken and that in lieu thereof the following paragraph be added:

"It is FURTHER ORDERED by the Court that each party to this appeal shall bear such costs as it has expended in connection with the litigation."

It is FURTHER ORDERED by the Court that the certified copy of the judgment previously issued to the District Court be recalled and that a certified copy of the judgment as now amended be issued to the District Court without delay.

Dated: December 12, 1957 PER CURIAM.

(amended) JUDGMENT

(of the U. S. Court of Appeals, dated and entered on December 12, 1957)

This cause came on to be heard on the record from the United States District Court for the District of Columbia, and was argued by counsel.

On consideration whereof, It is ordered and adjudged by this Court that the judgment of the said District Court appealed from in this cause be, and the same is hereby, reversed, and that this cause, be, and the same is hereby, remanded to the said District Court with directions to enter a judgment declaring that defendant-appellee's patent is invalid, and granting such further relief to plaintiff-appellant as may appear to the court to be just and proper.

It is FURTHER ORDERED by the Court that each party to this appeal shall bear such costs as it has expended in connection with the litigation.

Dated: November 8, 1956, as amended December 12, 1957.